

MINUTES

**Seattle City Employees' Retirement System
Regular Board Meeting**

**Wednesday, April 1, 2009 – 9:00 a.m.
Pacific Building, 10th Floor**

Present: Jean Godden, Mark McDermott, Lou Walter, Mary Norris, Rod Rich and Frank Mathews

Absent: Dwight Dively

Also Present: Walt North (ARSCE); Ken Leask (ARSCE); Gwen Jensen (ARSCE); Ken Yeager (Retiree); Carlton Seu (City Attorney's Office-via telephone); Bill Song (Song Mondress); Cecelia M. Carter (SCERS)

Frank Mathews acting as Chair called the meeting to order at 9:02 am

Public Comment: *there being none.*

Minutes:

Motion: Upon motion by Rod Rich, seconded by Mary Norris, the Retirement Board approved the minutes from the March 4, 2009 Retirement Board meeting with the correction to the year.

Jean Godden arrived at 9:04 a.m. and assumed the position of Chair for the remainder of the meeting

Ratification of Retired Payroll, Office Payroll, Other Payments and Withdrawals:

Information: The following items represent normal expenses and nothing extraordinary.

Service	\$ 7,885,457.29
Beneficiary	\$ 890,155.28
Disability	\$ 73,466.25
Pension Payroll – PPE March 31, 2009	\$ 8,849,078.82
Office Payroll – PPE March 3rd & 17th, 2009	\$ 48,530.02
Vouchers Processed – February 28, 2009	\$ 100,163.51*
* \$24,865.00 Expert and Consultant Services	

Immediate Withdrawals of Contributions for the month of March 2009:

Member	Department Name	Position
Arevalo, Martha Esperanza	Library	Library Associate
Spahr, Ryan J	Police	Dispatcher I
Browne, Frederick Tyrome	SPU	Administrative Specialist II
Batushny, Jared Andrew	DPD	Zoning Inspector
Sharman, David Allan	Fire	Warehouser
Blouch, Mathew L	City Light	Technical Meter
Beckman, Dale Arthur	City Light	Structural Iron Worker
Scott, Sandra Zandell	Personnel	Administrative Specialist II
Gochmour, Julie E	Police	Dispatcher I
Thomas, Sharon L	Mayor's Office	Administrative Assistant
Lee, Devin M	Parks	Lifeguard

<i>Member</i>	<i>Department Name</i>	<i>Position</i>
Curtin, Kimberly Jean	FFD	Property Management Spec
Wagner, Jennifer L	Parks	Community Center Coordinator
Ruthford, Jane F	TES	System Analyst Assistant
Lee, Jordan C	Parks	Lifeguard
Riggins, Sharon A	HSD	Personnel Spec
Hambright, Colleen Louise	City Light	Store Clerk
Boucher, John Bruce	Library	Associate II
Weaver, Audrey	Parks	Library Attendant
Mayes, Joseph Michael	SPU	Info Tech Prof
Green, Yvonne P	Law	Administrative Specialist II
White , Richard B	Library	Support Desk Manager
Alberg, Kevin C	SPU	Security Programs Spec
Green, Quanika Lanese	Parks	Rec Attendant
Mcdonough, Marie T	SPU	Sr. Civil Engineer

25 Withdrawals for a total of: \$359,911.68

Motion: Upon motion by Frank Mathews, seconded by Rod Rich the Retirement Board ratified the Retiree Payroll, Office Payroll, other Payments and Withdrawals.

Ratification of Service Retirements:

Information: The following list represents the retirements that have been processed since the last Retirement Board meeting.

<i>Retiree</i>	<i>Retire Date</i>	<i>Years Service</i>	<i>Days Service</i>	<i>Department Name</i>	<i>Position</i>	<i>Age</i>
Anderson, Roland C	03/04/09	29	344	Parks	Aquarium Biologist 3	62
Angkico, Nazario E	03/04/09	9	296	SPU	Printer	70
Bestor, Frank H	02/27/09	3	54	SCL	Vested	69
Browne, Colleen L	03/04/09	20	149	Parks	Manager 3	60
Cruz, Maria Victoria	02/12/09	15	16	Arts	Vested	57
Dominquez, Oscar G	03/04/09	31	233	SCL	Electrician	59
Hansen, Martin P	03/04/09	33	314	Seattle Center	Civil Engineer, Sr.	56
Johnson, Stephanie E	03/04/09	29	260	Parks	Sr. Gardener	58
Kongaika, Sione T	03/04/09	30	12	SDOT	CMEO	55
Kwan, Cecilia C	03/04/09	26	117	DEA	Accountant	56
LaFrance, Donald A	02/23/09	17	246	DHHS	Vested	62
Lawall, Nancy J	03/04/09	32	243	SDOT	Manager 2	56
Lenning, David A	03/01/09	3	75	Health	Vested	63
Lu, Franklin S	03/04/09	30	10	SCL	Manager 3	55
Lynch, Leslie W	03/04/09	30	19	SCL	Meter Reader	57
McKenna, Kathleen Alud	02/23/09	5	120	DHHS	Vested	62
McLaughlin, Kathleen B	03/04/09	10	3	Seattle Center	Capital Proj. Coordinator, Sr.	59
Pearson, Bobby Ann	03/02/09	11	351	DHHS	Vested	61
Phillips, Patty A	03/04/09	18	334	SPU	Sr. Personnel Spec	57
Reilly, James J	03/04/09	23	361	SPU	Water Pipe Crew Chief	64
Skogseth, Shirleen M	03/04/09	28	315	Muni Courts	Info Tech Prof B	59
Stuart, Patricia A	03/04/09	12	328	DHHS	Human Svcs Prgm Supv	69

<i>Retiree</i>	<i>Retire Date</i>	<i>Years Service</i>	<i>Days Service</i>	<i>Department Name</i>	<i>Position</i>	<i>Age</i>
Stundblad, Larry L	02/21/09	31	103	Parks	Rec Prgm Coord	63
Sullivan, Michael E	03/04/09	21	12	Seattle Center	Comms Electn	57
Sun, Lionel L	03/04/09	30	9	SPU	Civil Engr Supv	60
Walkup, Hugh R	02/27/09	2	126	OHR	Vested	65

Motion: Upon motion by Frank Mathews, seconded by Rod Rich, the Retirement Board approved the service retirements listed above, pending final review.

For the month of March: 57 new members entered the System, 26 retired from the System, 5 retirement continuations due to death of retiree, 2 retirement adjustments due to social security payments beginning and 25 others terminated City employment.

Lou Walter arrived at 9:07 a.m.

Ratification of Investment Transactions and Statement of Securities and Cash:

Information: Provided in the Retirement Board packet is the Investment Summary report that represents the transaction summary and the market value of the investments as of February 28, 2009. *(Attachment #2 – Board only)*

- At the March meeting Mr. McDermott requested a historical review of the System's funding level – Ms. Carter presented a graph outlining the Results – Funding Ratio from Milliman's 2008 report [page 3] *attached to these minutes.*

Motion: Upon motion by Rod Rich, seconded by Lou Walter, the Retirement Board received the Investment Summary report.

Investment Committee Report:

Ms. Carter reported the next investment committee meeting will be Thursday, April 30, 2009.

Additionally, she reported the March 2009 Investment Committee meeting took form as a managers' roundtable of the SCERS fixed income managers. Present at the meeting were representatives from: a) Western Asset Management; b) Reams Asset Management; c) Pugh Asset Management; and d) PIMCO. Board members expressed their appreciation for having the managers dialogue amongst themselves and with the Board on fixed income issues and further commented on the clarity of the knowledge they gleaned from the session.

Executive Director Report:

- A request for a hearing before the Board has been made by a member disputing his effective date of retirement – it will be heard at the next Board meeting.
- Retiree address request by Retiree Association – discussion occurred which resulted in a request to the City Assistant Attorney to review the matter and issue a memorandum.
- Ms. Carter informed the Board that the movement of assets from the EAFE to a Sudan-free investment vehicle would not actually occur until April 8, 2009 (not by March 31, 2009 as originally planned). This is due to predetermined buy-in dates.
- Ms. Carter made the Board aware of several class-action lawsuits being brought by other pension plans against large banking institutions (CalPERS and CalSTRS against Bank of America). Discussion developed amongst the Board as to SCERS's role and responsibility in seeking

leadership in such actions. Outcome from the discussion resulted in a request for updates from staff on class action lawsuits SCERS is currently a member.

Old Business:

(1) Status of Benefit Enhancements

Information: The **estimated** current funding level of the Retirement Fund is: 56.44% as of February 28, 2009

The above amount is an estimate calculated each month by the Retirement Office staff. As provided by Ordinance 120685, changes to the Floor COLA will occur once the funding level has reached at least 100% and has been confirmed by the Board after commissioning an actuarial valuation

New Business:

(1) Return of Employee and Employer Contributions *(Attachment #3 – Board Only)*

Motion: Upon motion of Mark McDermott, seconded by Lou Walter, the Retirement Board voted to return the employee and employer contributions contributed by the certain employee through payroll deductions and the buyback contribution contributed by the certain employee along with the employer contributions contributed on this certain employee's behalf by the Fire Department dating back to March 23, 1970, as contributions contributed in error to Seattle City Employees' Retirement System. All contributions will be returned to the Fire Department and the certain employee will be notified of his forfeited rights to any future retirement benefits or death benefits through Seattle City Employees' Retirement System – all subject to review and direction by the Board's legal counsel.

Executive Session

The Board reserves the right to enter into executive session if necessary.

Motion: Upon motion by Jean Godden, seconded by Lou Walter, the Retirement Board voted to go into Executive Session at 10:28 a.m. to discuss personnel matters regarding the Executive Director's annual review.

Motion: Upon motion by Mary Norris, seconded by Rod Rich, the Retirement Board voted to come out of Executive Session at 10:40 a.m.

Motion: Upon motion of Lou Walter, seconded by Frank Mathews, the Retirement Board voted five yeas and one nay to grant the Executive Director a salary increase of 5% effective as of January 1, 2009. Mr. McDermott respectfully rendered a no vote on the motion.

Motion: Upon motion of Mark McDermott, seconded by Rod Rich, the Retirement Board voted to go into a second Executive Session at 10:45 a.m. to discuss update from legal on City policy regarding recognition awards.

Motion: Upon motion by Lou Walter, seconded by Mary Norris, the Retirement Board voted to come out of Executive Session at 11:04 a.m.

Adjournment

Motion: Upon motion by Jean Godden, seconded by Mark McDermott, the Retirement Board voted to adjourn the meeting at 11:05 a.m.

Mark McDermott, Secretary